



GUIDE TO DISASTER ASSISTANCE



**From the Office of
Senator Byron Dorgan**

www.dorgan.senate.gov
800-666-4482

Please call if you have additional questions

Quick Guide

For more information or assistance please feel free to contact any of my North Dakota offices, or visit my Web site at dorgan.senate.gov

Fargo Office

1802 32nd Avenue S.
Suite B
701-239-5389

Bismarck Office

220 East Rosser Ave.
U.S. Federal Building
Room 312
701-250-4618

Minot Office

100 1st Street, SW
Suite 105
701-852-0703

Grand Forks Office

102 North 4th Street
701-746-8972

FEMA

800-621-3362

TTY 800-462-7585 for the speech/hearing-impaired

Apply online at www.disasterassistance.gov

Small Business Administration (SBA)

Disaster Assistance Customer Service Center

800-659-2955

www.sba.gov/services/disasterassistance

IRS Disaster Hotline

866-562-5227

National Flood Insurance Hotline

800-427-4661

www.floodsmart.gov

ND Insurance Dept. Consumer Hotline

800-247-0560

ND AG Office Consumer Protection

800-472-2600

USDA Farm Service Agency

701-239-5224

Salvation Army

www.salvationarmyusa.org

Job Service North Dakota

701-328-4995

ND Department of Health

701-328-2372

www.ndhealth.gov/flood

Red Cross ND-MN Hotline

866-438-4636

www.redcross.org

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A Note From Senator Byron Dorgan

North Dakotans pulled together to fight this year's spring flooding, and we will now come together again to recover from the damage that these floods have had on our homes, businesses, and communities.

I've prepared this flood resource guide to help provide important information and key contacts to assist with our recovery efforts.

I also want my offices to serve as a resource for you. If you have questions on how to best navigate the federal agencies listed in this flood resource guide, or need guidance on where to go with questions that are not included in this booklet, please feel free to contact any of my offices.

Sincerely,

A handwritten signature in black ink that reads "Byron L. Dorgan".

U.S. Senator Byron Dorgan

Disaster Assistance

If you have been affected by spring flooding, there are many different federal and local assistance programs to help get you back on your feet.

If you need assistance, the first step you should take is to register through the Federal Emergency Management Agency (FEMA). FEMA is coordinating the Federal Government's response to the spring flooding in North Dakota.

Depending on your circumstances, FEMA may direct you to other organizations for assistance, including the Small Business Administration, or offer you direct assistance. More information on available individual assistance is contained in this booklet. However, the first and most important step is to register through FEMA.

FEMA offers disaster assistance for homeowners, renters, and businesses of all sizes, and private non-profit organizations affected by flooding beginning March 13, 2009.

As of April 27, 2009, the following counties were declared eligible for individual disaster assistance: Adams, Barnes, Billings, Burleigh, Cass, Dickey, Emmons, Foster, Grand Forks, Grant, Griggs, Hettinger, Kidder, LaMoure, Logan, McHenry, McIntosh, Mercer, Morton, Nelson, Oliver, Pierce, Ransom, Richland, Sargent, Stark, Steele, Stutsman, Traill, Towner, Walsh, Ward and Williams, as well as Standing Rock and Spirit Lake Reservations. Other counties could be added in the future depending on damage assessments.

If you live in one of the affected areas, and have flood damage, you must register and apply for aid through FEMA by **June 9, 2009** for physical damage and **January 11, 2010** for economic injury loans.

How to Apply for FEMA Disaster Assistance

Apply by Phone to FEMA

800-621-3362

(TTY 1-800-462-7585 for the speech - or hearing-impaired)

or apply online at www.disasterassistance.gov

Please have the following information available when you call:

- A phone number and a reliable alternate in case FEMA needs to call you back
- Address of the damaged property
- Social Security number
- Bank account information *
- Insurance information (if you have insurance)
- Brief description of damages
- Current mailing address
- Pen and paper to write down your registration number

**If you are eligible for disaster assistance, you may choose to have the assistance check deposited directly into your bank account.*

Government disaster assistance covers basic needs only and will not normally compensate you for your entire loss. If you have insurance, the government may help pay for basic needs not covered under your insurance policy. Some disaster aid does not have to be paid back, while other assistance may come in the form of loans.

Frequently Asked Questions About FEMA Assistance

Do I have to register with FEMA to get help? Yes, with very few exceptions, if you want federal assistance you will have to register with FEMA, either by telephone or online. The registration number you will receive will be needed whenever you call with questions.

What is the difference between FEMA and the SBA? FEMA coordinates the federal government's role in preparing for, preventing, mitigating the effects of, responding to, and recovering from all domestic disasters, whether natural or man-made.

SBA is the federal government's primary source of money for the long-term rebuilding of disaster-damaged private property. SBA helps homeowners, renters, businesses of all sizes, and private non-profit organizations fund repairs or rebuilding efforts and cover the cost of replacing lost or disaster-damaged personal property. These disaster loans cover uninsured and uncompensated losses and do not duplicate benefits of other agencies or organizations. For information about SBA programs, applicants may call 800-659-2955 (TTY 800-877-8339).

What happens after I register? You will receive a call from the FEMA housing inspector.

On-site inspections are an important early step helping to speed aid to homeowners and renters suffering flood damage. All inspectors carry photo identification and will have the FEMA registration number assigned to the person whose home is being inspected.

Only an official FEMA inspector will have the number that was provided during registration. The FEMA inspection is free. Beware of individuals attempting to charge for inspections or remodeling contractors claiming to be FEMA approved. FEMA does not endorse construction firms.

When a FEMA inspector calls for an appointment, registrants should provide a clear, accurate description of the damaged property and current contact information. *You do not have to wait for the inspector to arrive before beginning repairs. Photos, contractor estimates, and receipts can be provided to FEMA inspectors to document the extent of the damage.*

The inspection generally takes 30 - 40 minutes. The inspector enters damage-related information into a handheld computer and sends that data electronically to FEMA. The inspector does not determine whether a registrant is eligible for assistance, nor the amount of assistance an individual may receive.

You may also receive a call from a representative of the U.S. Small Business Administration, which provides low-interest disaster loans to eligible applicants for long term recovery. An SBA loan application is included in the FEMA registration materials and is a key part of the registration process. You will never be required to take out an SBA loan if you do not wish to do so. However, it is important that you apply because doing so may open other opportunities for federal assistance. No appointment is necessary to meet with an SBA Customer Service Representative at a Disaster Recovery Center or Business Recovery Center. There is no cost to apply for an SBA disaster loan, and you are not obligated to accept a loan that SBA approves.

FEMA may also direct you to other federal organizations, such as the Department of Housing and Urban Development, on a case by case basis.

Where can I find updated information from FEMA? Up-to-date information on floods and flood assistance in North Dakota is accessible at www.fema.gov/midwestfloods. The site identifies the locations of all Disaster Recovery Centers, and contains webisodes, podcasts and photographs of North Dakota flooding, as well as recent news on disaster response and recovery. You can follow disaster response on Twitter at twitter.com/femaregion8.

Small Business Administration Disaster Loans

Once you register with FEMA, they may direct you to the SBA. Whether you rent or own your own home, own your own business, or own a small agricultural cooperative located in a declared disaster area, you may be eligible for financial assistance from the SBA.

You must register and apply for aid from the SBA through FEMA by **June 9, 2009** for physical damage and **January 11, 2010** for economic injury loans.

For more information about SBA loans, call 800-659-2955.

Frequently Asked Questions:

What Types of Disaster Loans are Available?

- Home Disaster Loans – Loans to homeowners or renters to repair or replace disaster-damaged real estate or personal property owned by the victim. Renters are eligible for their personal property losses, including automobiles.
- Business Physical Disaster Loans – Loans to businesses to repair or replace disaster-damaged property owned by the business, including real estate, inventories, supplies, machinery and equipment. Businesses of any size are eligible. Non-profit organizations such as charities, churches, private universities, etc., are also eligible.
- Economic Injury Disaster Loans (EIDL) – Loans for working capital to small businesses and small agricultural cooperatives to assist them through the disaster recovery period. EIDL assistance is only available to applicants and their owners who cannot provide for their own recovery from non-government sources. Farmers, ranchers, nurseries, religious and non-profit organizations are not eligible for an EIDL.

What are Mitigation Loans?

If your loan application is approved, you may be eligible for additional funds to cover the cost of improvements that will protect your property against future damage. Examples of improvements include retaining walls, seawalls, sump pumps, etc. Mitigation loan money would be in addition to the amount of the

approved loan, but may not exceed 20 percent of the approved loan amount. It is not necessary for the description of improvements and cost estimates to be submitted with the application. SBA approval of the mitigating measures will be required before any loan increase.

What are the Credit Requirements?

- Credit History – Applicants must have a credit history acceptable to SBA.
- Repayment – Applicants must show the ability to repay all loans.
- Collateral – Collateral is required for physical loss loans over \$10,000 and all EIDL loans over \$5,000. SBA takes real estate as collateral when it is available. SBA will not decline a loan for lack of collateral, but requires you to pledge what is available.

What are the Interest Rates?

By law, the interest rates depend on SBA’s determination of whether each applicant has the ability to receive credit from other sources. SBA bases this decision on whether the applicant has sufficient funds or other resources, or the ability to borrow from non-government sources, to provide for their own disaster recovery. Interest rates are fixed for the term of the loan, and are determined from disaster to disaster with market conditions. Currently the applicable interest rates are:

No Credit Available Elsewhere		Credit Available Elsewhere
Home Loans	2.187%	4.375%
Business Loans	4.000%	6.000%
Non-Profit Organizations	4.000%	4.500%
Economic Injury Loans	4.000%	N/A

What are Loan Terms?

The maximum term is 30 years. However, the law restricts businesses with credit available elsewhere to a maximum 3-year term. SBA sets the installment payment amount and corresponding maturity based upon each borrower’s ability to repay.

What are the Loan Amount Limits?

- Home Loans – SBA regulations limit home loans to \$200,000 for the repair or replacement of real estate and \$40,000 to repair or replace personal property. Loan amounts cannot exceed the verified uninsured disaster loss.
- Business Loans – The law limits business loans to \$2,000,000 for the repair or replacement of real estate, inventories, machinery, equipment and all other physical losses. Subject to this maximum, loan amounts cannot exceed the verified uninsured disaster loss.
- Economic Injury Disaster Loans (EIDL) – The law limits EIDL(s) to \$2,000,000 for alleviating economic injury caused by the disaster. The actual amount of each loan is limited to the economic injury determined by program standards, less business interruption insurance and other recoveries up to the administrative lending limit. SBA also considers potential contributions that are available from the business and/or its owner(s) or affiliates.
- Business Loan Ceiling – The \$2,000,000 statutory limit for business loans applies to the combination of physical and economic injury, and applies to all disaster loans to a business and its affiliates for each disaster. If a business is a major source of employment, SBA has the authority to waive the \$2,000,000 statutory limit.

What Restrictions are there on Loan Eligibility?

- Uninsured Losses – Only uninsured or otherwise uncompensated disaster losses are eligible. Any insurance proceeds which are required to be applied against outstanding mortgages are not available to fund disaster repairs and do not reduce loan eligibility. However, any insurance proceeds voluntarily applied to any outstanding mortgages do reduce loan eligibility.
- Ineligible Property – Secondary homes, personal pleasure boats, airplanes, recreational vehicles and similar property are not eligible, unless used for business purposes. Property such as antiques and collections are eligible only to the extent of their functional value. Amounts for landscaping, swimming pools, etc., are limited.
- Noncompliance – Applicants who have not complied with the terms of previous SBA loans are not eligible. This includes borrowers who did not maintain flood and/or hazard insurance on previous SBA or federally insured loans.

Is There Help Available for Refinancing?

SBA can refinance all or part of prior mortgages that are evidenced by a recorded lien, when the applicant (1) does not have credit available elsewhere, (2) has suffered substantial uncompensated disaster damage, which is defined as 40 percent or more of the value of the property, and (3) intends to repair the damage.

- Homes – Homeowners may be eligible for the refinancing of existing liens or mortgages on homes, in some cases up to the amount of the loan for real estate repair or replacement.
- Businesses – Business owners may be eligible for the refinancing of existing mortgages or liens on real estate, machinery and equipment, in some cases up to the amount of the loan for the repair or replacement of real estate, machinery, and equipment.

What if I Decide to Relocate?

You may use your SBA disaster loan to relocate. The amount of the relocation loan depends on whether you relocate voluntarily or involuntarily. If you are interested in relocation, an SBA representative can provide you with more details on your specific situation.

Are There Insurance Requirements for Loans?

To protect each borrower and the agency, SBA may require you to obtain and maintain appropriate insurance. By law, borrowers whose damaged or collateral property is located in a special flood hazard area must purchase and maintain flood insurance for the full insurable value of the property for the life of the loan.

The North Dakota Insurance Department's Web site has information about when flood damage is covered and not covered by insurance. For more information contact:

North Dakota Insurance Department
 State Capitol, Fifth Floor
 600 E. Boulevard Ave.
 Bismarck, ND 58505
 Consumer Hotline: 800-247-0560
www.nd.gov/ndins

Assistance to Individuals and Households

FEMA also may determine that you qualify for the Individuals and Households Program (IHP).

IHP provides financial help or direct services to those who have necessary expenses and serious needs if they are unable to meet the needs through other means such as insurance or loans. Up to \$30,300 is available in financial help (adjusted each year), although some forms of IHP assistance have limits. Flood insurance may be required as indicated below. These forms of help are available: Housing Assistance (including Temporary Housing, Repair, Replacement, and Semi Permanent or Permanent Housing Construction) and Other Needs Assistance (including personal property and other items).

Please Note: Though the maximum available grant is \$30,300, it would only be available if insurance and loan options were first exhausted. Even then, very few applicants qualify for the full amount.

The following types of assistance may be available through IHP:

Housing Assistance

Temporary Housing: Money to rent a different place to live or a temporary housing unit (when rental properties are not available).

Repair: Money for homeowners to repair damage from the disaster that is not covered by insurance. The goal is to repair the home to a safe and sanitary living or functioning condition. FEMA may provide up to \$30,300 for home repair; then the homeowner may apply for a Small Business Administration disaster loan for additional repair assistance. FEMA will not pay to return a home to its condition before the disaster. Flood insurance may be required if the home is in a Special Flood Hazard Area. Repair and replacement items include:

- Structural parts of a home (foundation, outside walls, roof)
- Windows, doors, floors, walls, ceilings, cabinetry
- Septic or sewage system
- Well or other water system
- Heating, ventilating, and air conditioning system
- Utilities (electrical, plumbing, and gas systems)
- Entrance and exit ways from the home, including privately owned access roads
- Blocking, leveling and anchoring of a mobile home and reconnecting or resetting its sewer, water, electrical and fuel lines and tanks

Replacement: Money to replace a disaster-damaged home, under rare conditions, if this can be done with limited funds. FEMA may provide up to \$30,300 for home replacement. If the home is located in a Special Flood Hazard Area, the homeowner must comply with flood insurance purchase requirements and local flood codes and requirements.

Other Needs Assistance

The Other Needs Assistance provision of the Individuals and Households Program provides grants for uninsured, disaster-related necessary expenses and serious needs. Covered expenses include:

- Medical and dental expenses
- Funeral and burial costs
- Vehicle repair and/or replacement
- Generators for individuals who have durable medical equipment that require power
- Dehumidifiers

Contact FEMA at 800-621-3362 for questions about other items that may be covered.

Conditions and Limitations of IHP Assistance:

Non-discrimination: All forms of FEMA disaster housing assistance are available to any affected household that meets the conditions of eligibility. No federal entity or official (or their agent) may discriminate against any individual on the basis of race, color, religion, sex, age, national origin, disability, or economic status.

Residency status in the United States and its territories: To be considered for disaster housing assistance, you or a household member must provide proof of identity and sign a declaration stating that you/they are a United States citizen (or have a child who is a citizen), a non-citizen national, or a qualified alien.

Supplemental Assistance: Disaster housing assistance is not intended to substitute for private recovery efforts, but to complement those efforts when needed. FEMA expects minor housing damage or the need for short-term shelter to be addressed by homeowners or tenants. Furthermore, the Disaster Housing Program is not a loss indemnification program and does not ensure that applicants are returned to their pre-disaster living conditions.

Household Composition: People living together in one residence before the disaster are expected to continue to live together after the disaster. Generally, assistance is

provided to the pre-disaster household as a unit. If, however, the assistance provided to the household is not shared with you, or if the new residence is too small or causes you undue hardship, you may request assistance separate from your pre-disaster household.

Type of Assistance: Generally, no more than one type of IHP assistance may be provided to the household. Only FEMA – in conjunction with the State of North Dakota – has the authority to determine which type of assistance is most appropriate for the household and the period of assistance to be covered.

Proper Use of Assistance: All financial assistance provided by FEMA should be used as specified in writing: to rent another place to live, to make the home repairs identified by FEMA, to prevent eviction or foreclosure, or to replace or repair personal property. Failure to use the money as specified may make you ineligible for additional assistance. All money provided by FEMA is tax-free.

Documentation: It is your responsibility to provide all documentation necessary for FEMA to evaluate your eligibility. You may need to provide proof of occupancy, ownership, income loss, and/or information concerning your housing situation prior to the disaster. You should keep all receipts and records for any housing expenses incurred as a result of the disaster. This includes receipts for repair supplies, labor, and rent payments.

Insurance: If you have insurance, any assistance provided by FEMA should be considered an advance and must be repaid to FEMA when you receive your insurance settlement payment. If your settlement is less than FEMA's estimated cost to make your home habitable, you may qualify for funds to supplement your insurance settlement, but only for repairs relating to the home's habitability. FEMA does not provide replacement value amounts or assistance with non essential items.

Duration of Assistance: Repair and Replacement Assistance is provided as a one-time payment. Temporary Housing Assistance (or a mobile home) is provided for an initial period of two months. To be considered for additional assistance, you must demonstrate that you have spent any previous assistance from FEMA as instructed, and you must demonstrate your efforts to re establish permanent housing. Additional assistance is generally provided for 1, 2, or 3 months at a time. The maximum period for IHP assistance is 18 months, unless extended by the President.

Appeal Rights:

If you disagree with FEMA's determination of eligibility or the form of assistance provided, you have the right to appeal within 60 days of the date of your notification letter. Call 800-621-3362 or 800-462-7585 (TTY) immediately to let them know of your intention to appeal. Then, send your appeal letter to: Appeals Officer, FEMA Individuals & Households Program, National Processing Service Center, P.O. Box 10055, Hyattsville, MD 20782 7055.

Department of Housing and Urban Development Assistance

The Department of Housing and Urban Development has granted assistance in many of the counties covered by the disaster declaration. Included in HUD aid programs are:

- Foreclosure Relief – HUD granted a 90-day moratorium on foreclosures and forbearance on foreclosures of Federal Housing Administration (FHA)-insured home mortgages. If you live in a disaster county, and have an FHA mortgage, this will be done automatically.
- Mortgage Insurance – Mortgage insurance is available for disaster victims who have lost their homes, and are in the process of rebuilding or buying another home.
- Rehab Mortgage Insurance – Section 203(k) insurance enables homebuyers and homeowners to finance both the purchase (or refinancing) of a house and the cost of its rehabilitation through a single mortgage. This program may also be used to finance the rehabilitation of an existing home.

For more information please visit the website: <http://www.hud.gov/offices/cpd/communitydevelopment/programs/dri>

USDA Individual Assistance

There are a number of programs offered by USDA that can provide individual assistance to farmers and ranchers who have suffered losses.

For more information or to apply for USDA assistance, contact the North Dakota Farm Service Agency at 701-239-5224.

- Emergency Conservation Program – provides emergency funding and technical assistance to rehabilitate farmland damaged by disasters. Eligible activities include debris removal, fence repair, and reconstruction of water control structures. The program requires at least a 25 percent cost share from the individual.
- Livestock Indemnity Program – this program was created in the 2008 Farm Bill and will compensate eligible producers for lost livestock. USDA is still working out the rules for this program and hopes to have it ready for sign-up by early summer.
- Emergency Loans – FSA can also offer low-interest loans for individuals who need to replace farm equipment, buildings, fences, or livestock.

Internal Revenue Service Assistance

The Internal Revenue Service (IRS) has announced a 30-day extension on filing taxes for individuals in disaster-declared counties. This extension applies if you live in a disaster-declared county, or if your tax preparer is located in one. Those individuals now have until May 15, 2009, to file their 2008 individual tax returns.

For more information please call the IRS Disaster Hotline: 866-562-5227.

Basic Tips for Filing Your Claim, and Working with your Damaged Property

- Contact your insurance agent or company as soon as possible. If possible, have your policy numbers available when you call. Ask what documents, forms, and data you'll need to file a claim. Advise them if you no longer have documents and learn what alternative documents can be provided. If your insurer does not call you back or send an adjuster to your property within three days, call the Insurance Department's consumer hotline at 800-247-0560.
- People who have suffered property losses may find themselves being contacted by someone who identifies themselves as a public adjuster. North Dakotans who choose to work with public adjusters should make sure to ask to see their license before doing business with them. Public adjusters work for the policyholder, and charge a fee from the policyholder. Company adjusters do not charge fees.
- Keep track of all the expenses associated with the loss and keep copies of all of your paperwork.
- Take photographs or video of the damage.
- If your property is partially damaged, try to protect it against further losses by making temporary repairs. Make the repairs necessary to prevent further damage to your property. Don't have permanent repairs made until your insurance company has inspected the property and you have reached an agreement on the cost of repairs. Keep receipts associated with such repairs, as these may be reimbursable under your insurance.
- If your home is damaged to the extent that you can't live there, ask your insurance company if you have coverage for additional living expenses. Call the company to advise them of your temporary location. Also leave information about how you can be contacted at your property in case an adjuster comes to the property for a damage assessment.
- If you have damaged appliances, furniture, and other contents for which you will be filing claims, don't throw that damaged property away unless instructed to do so by your insurance adjuster, and don't start permanent repairs without prior approval from your insurer.

- Be sure to ask contractors for references and check them before you sign a contract for repairs, removal or replacement. Check with the Better Business Bureau, or the Consumer Protection Division of the North Dakota Attorney General's office at 800-472-2600 to make sure the company has a good track record or to report suspected price gouging. The North Dakota Secretary of State's office has an online registry of contractors you can check to see if a contractor is registered: www.nd.gov/sos/licensing.
- Obtain more than one estimate, and get everything in writing. Don't be pressured into signing the first contract that is presented to you. Be wary of contractors who demand upfront payment before work is initiated or payment in full before work is completed. If the contractor needs payment to buy supplies, go with the contractor and pay the supplier directly.
- You have the right to choose which contractor will repair your home. Your insurer may provide you with a list of pre-approved contractors, but as the policyholder, you have the final say in contractor selection.
- Contact your creditors; if you can't cover all of your expenses, try to negotiate a payment plan. Keep a diary of all conversations with insurance companies, creditors, or relief agencies.
- If you are not able to negotiate an acceptable settlement with your insurer, call the Insurance Department for assistance and advice.

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